

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: PJ-2

December 22, 2005

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

LAC+USC MEDICAL CENTER REPLACEMENT PROJECT APPROVAL OF VARIOUS CONSTRUCTION CHANGE ORDERS CONTRACT PW-12641 MCCARTHY/CLARK/HUNT, A JOINT VENTURE SPECS. 6550; C.P. 70787 SUPERVISORIAL DISTRICT 1 4 VOTES

JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT YOUR BOARD:

Approve and authorize the Director of Public Works to execute the following change orders to:

- 1. Modify the door hardware and related electrical systems on the 3rd through 8th Floors in the Inpatient Tower building for a not-to-exceed amount of \$630,000.
- 2. Provide thermal expansion anchors in the Inpatient Tower building for a not-to-exceed amount of \$196,586.
- 3. Resolve fire rating conflicts in the Inpatient Tower building for a not-to-exceed amount of \$300,000.

- 4. Modify the roof slab construction and roof top enclosures in the Outpatient Department building for a not-to-exceed amount of \$220,000.
- 5. Add three telecommunications closets in the Outpatient Department building for a not-to-exceed amount of \$280,000.
- 6. Provide revised anchorage for overhead mechanical and plumbing utilities in the Central Plant building for a not-to-exceed amount of \$206,206.

REASON AND SCOPE - RECOMMENDATION 1

Unforeseen condition		Regulatory agency requirement	
Drawing coordination		Previously approved scope change	
Errors and omissions	\boxtimes		

On November 1, 2005, your Board approved the issuance of a change order in the not-to-exceed amount of \$360,000 for the door hardware and related electrical system conflicts associated with the 1st and 2nd Floors of the Inpatient Tower building. At that time, we stated that additional change requests were anticipated for the 3rd through 8th Floors. As previously discussed, the contractor raised a large number of questions concerning the door hardware and its integration with the normal- and low-voltage systems during preparation of their door hardware submittals. The architect in response issued two separate change bulletins that incorporated corrections to the hardware and associated systems; one for the 3rd and 4th Floors and one for the 5th through 8th Floors. These change bulletins were issued at different times, as the architect completed the revisions, in order to avoid delays to the contractor's coordination efforts and the project construction schedule.

Approving the recommended action will allow the contractor to make the required modifications on the 3rd through 8th Floors of the Inpatient Tower building. Cost negotiation of this change with McCarthy/Clark/Hunt, a Joint Venture (MCH), has not been finalized. We estimate that the total cost for this request will not exceed \$630,000 with no delay to the project completion date. However, if the final value of the change order exceeds the cost estimate, we will return to your Board for approval. Public Works has issued two proceed orders, one relating to the 3rd and 4th Floors issued in September and the second issued in November for the 5th through 8th Floors, totaling \$300,000 to avoid delay impacts, the value of which is included in this recommendation for \$630,000.

Conflicts with the hardware and electrical systems have also been identified in the Diagnostic and Treatment and Outpatient buildings. We anticipate future change costs for these buildings and are currently reviewing the potential impact. These change orders will be brought to your Board for approval if they exceed Public Works' delegated authority.

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REASON AND SCOPE - R	ECOMMEND	ATION 2		
Unforeseen condition		Regulatory agency requirement		
Drawing coordination		Previously approved scope change		
Errors and omissions	\boxtimes			
the equipment it serves of Tower building depict a sidetails, or design criteria submitted a series of qu	cycles on and symbol for the describing ho estions reque	nechanical piping that expands and control off. The contract documents for the libermal anchors but do not provide specifion to build the thermal anchors. The consting thermal anchor design. In response of the anchorage system.	npatient ications, ontractor	
Approving the recommended action will allow the contractor to install the required thermal anchorage system for mechanical piping. Public Works issued a proceed order in the amount of \$150,000 for a portion of this work to avoid delay impact, the value of which is included in the recommended \$196,586. The total cost of the work has been negotiated between Public Works and the contractor for a not-to-exceed cost of \$196,586.				
REASON AND SCOPE -	RECOMMEN	DATION 3		
Unforeseen condition		Regulatory agency requirement		
Drawing coordination		Previously approved scope change		
Errors and omissions	\boxtimes			

The contract documents for the Inpatient Tower building identified outlets for electrical power, lighting, communications, and security devices, as well as plumbing for sinks and toilets in fire-rated stairwell walls that serve rooms adjacent to the stairwells. According to the California Building Code, the only outlets or utilities allowed in the fire-

rated stairwell walls are those that serve the stairwell. The architect corrected the documents by relocating the outlets and plumbing outside the stairwell walls.

Cost negotiation of this change with MCH has not been finalized. We estimate that the total cost will not exceed \$300,000 with no delay to the project completion date. However, if the final value of the change order exceeds the cost estimate, we will return to your Board for approval. Approving the recommended action will allow the contractor to relocate the outlets and plumbing where required. Public Works issued proceed orders in the amount of \$150,000 for a portion of this work to avoid delay impact, the value of which is included in the recommended \$300,000.

REASON AND SCOPE - RECOMMENDATION 4

Unforeseen condition		Regulatory agency requirement	
Drawing coordination		Previously approved scope change	
Errors and omissions	\boxtimes		

The plans for the Outpatient building did not show the correct sizes for certain concrete pads for various pieces of mechanical equipment. In addition, the equipment pad locations were not coordinated with other rooftop structural components. Changes were required to increase the size of the concrete pads that also affected reinforcing steel, roof insulation, and flashing. Structural bracing for the mechanical equipment screen wall was relocated, and the sizes of three large rooftop shaft openings were changed.

Approving the recommended action will allow the contractor to make the required modifications for the rooftop mechanical equipment. Cost negotiations with MCH have not been finalized. We estimate the total cost will not exceed \$220,000 with no delay to the project completion date. However, if the final value of the change order exceeds the cost estimate, we will return to your Board for approval. Public Works issued proceed orders in the amount of \$30,000 for a portion of this work to avoid delay impact, the value of which is included in the recommended \$220,000.

REASON AND SCOPE	- RECOM	MENDATION 5	
Unforeseen condition		Regulatory agency requirement	
Drawing coordination		Previously approved scope change	
Errors and omissions	\boxtimes		
telephone and data outle maximum allowable dista quality of the telecomradditional telecommunic revisions include framin conduit penetrations, add Approving the recomme correct this deficiency, estimate the total cost we date. However, if the fin return to your Board for	ets on all leance from munication clog three noding wiring anded action Cost new cost new cost new cost all value or approved avoid desarced actions.	awings, the contractor determined that evels of the Outpatient building exceeded the the telecommunication closets. This could as signal and the ability to transmit data esets are required to resolve this problem telecommunication closets, coring floor granels, and routing telecommunication calcon will allow the contractor to make modifications with MCH have not been finalitied \$280,000 with no delay to the project of the change order exceeds the cost estimated. Public Works has issued proceed order exceptions in the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the value of which is included as a series of the change of the chang	e 300-foot impair the a. Three em. The slabs for oles. cations to zed. We completion te, we will ers in the
REASON AND SCOPE	- RECOM	IMENDATION 6	
Unforeseen condition		Regulatory agency requirement	
Drawing coordination		Previously approved scope change	
Errors and omissions	\boxtimes		

During the preparation of coordination drawings, several discrepancies were discovered with the anchorage details and sizes specified in the contract documents for overhead mechanical and plumbing utilities in the Central Plant. In some cases, quantities and size of the anchorage specified were inadequate. In other cases, contract-documented anchorage details were in conflict with other elements of the building and required modifications.

Approving the recommended action will allow the contractor to provide the correct anchorage necessary to support the overhead mechanical and plumbing piping. The total cost of the work has been negotiated between Public Works and the contractor for a not-to-exceed cost of \$206,206. Public Works issued a proceed order in the amount of \$150,000 for a portion of this work to avoid delay impact, the value of which is included in the recommended \$206,206.

We have reviewed each of the above recommendations as well as the potential cost impacts with the Project Advisory Committee. These change orders are considered to be within the scope of the project.

CONTINGENCY BUDGET SUMMARY

	С	HANGE SUMMARY			
Contingency Budget	Executed Change Orders	Board-Approved Changes Pending Execution	Impact of This Action	Remaining Contingency Budget	Percentage Remaining
\$55,422,027	\$39,206,426	\$3,977,773	\$1,832,792	\$10,405,036	18.77%

Notes:

- 1. The executed change order amount shown above reflects executed changes as of December 14, 2005.
- 2. The aggregate value of executed construction change orders does not include the value of potential changes currently under review. The merit and scope of each issue must first be evaluated and then the value negotiated. The combined value of these issues, as quoted by the contractor, could be as high as \$23,086,614. Historically, Public Works settles quotes from the contractor at less than 60 percent of the quoted value. Therefore, the anticipated value of the pending issues is approximately \$13,851,968. When added to the \$39,206,426 of change orders executed through November 30, 2005, there is an estimated total potential change exposure of \$53,058,394 against the \$55,422,027 Board-approved contingency.

CONCLUSION

Please return an adopted copy of this letter to the Chief Administrative Office (Capital Projects Division) and Public Works.

Respectfully submitted,

DONALD L. WOLFE
Director of Public Works

DAVID E. JANSSEN Chief Administrative Officer

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cc: County Counsel

Department of Health Services (Fred Leaf, Azar Kattan)

Project Advisory Committee (A. Redmond Doms, Jerry Epstein, Nick Patsaouras)